

BRITISH COLUMBIA
MARKETING BOARD

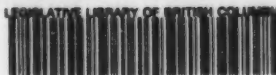
Performance Plan

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**BRITISH COLUMBIA
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Performance Plan

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INTRODUCTION

The British Columbia Marketing Board (BCMB) is an independent body responsible for the general supervision of marketing boards established under the *Natural Products Marketing (BC) Act* (the *Act*). The BCMB's three principal roles, which are described in detail later in this report, are supervisory, appellate, and signatory. To meet its responsibilities in these roles and for the administration of the *Act*, the BCMB maintains an appropriate degree of independence and accountability.

The BCMB is accountable to government for its administrative operations, but is independent of government in its decision-making in both the supervisory and appellate functions. As an independent tribunal, the Board ensures that the public interest is served and protected.

This three-year performance plan for the BCMB has been developed in response to British Columbia's July 2000 *Budget Transparency and Accountability Act*, which established an accountability framework and performance reporting structure for ministries and other government organizations.

MANDATE AND ROLES

PROFILE OF THE BRITISH COLUMBIA MARKETING BOARD

The *Natural Products Marketing (BC) Act* gives the provincial government the authority to regulate the marketing and/or production of specific agricultural products. Producers may join together and ask the government to exercise that authority to regulate a specific agricultural product. If the request is granted, a marketing scheme is established as a regulation under the *Act*, and a marketing board or commission is formed to administer the regulation.

This regulated agri-food system has been in effect for some British Columbia agriculture products since the 1930s, but the majority of marketing schemes were created in the mid-1960s. The system has provided economic stability to large sectors of the industry in British Columbia, and the value of the regulated agri-food sector has steadily increased over the past three decades. That progress continues today.

The regulated marketing system has provided economic stability to a large sector of British Columbia's agriculture industry.

The British Columbia Marketing Board (BCMB) was created in 1935 under the *Act* to supervise and regulate the marketing boards. Over the years, its role has been expanded, and its authority redefined. Independent of government, the BCMB's primary mandate today is to administer the regulated marketing legislation in the public interest. The members of the BCMB are appointed by the Lieutenant-Governor-in-Council.

The BCMB has three principal responsibilities: supervising all marketing boards and commissions (marketing boards), acting as the appellate body to hear appeals from organizations or persons who are dissatisfied or aggrieved by a decision of a marketing board, and as a signatory to Federal/Provincial Agreements that govern the marketing of some regulated products.

Strategically and operationally bound to effective, independent and accountable conduct, the BCMB offers a balanced response to stakeholders in the regulated marketing sector and to the public.

THE BCMB'S SUPERVISORY ROLE

The BCMB is the general supervisor of all marketing boards. As the body responsible for administration of the *Act*, the BCMB is granted broad discretionary powers of supervision.

The BCMB's supervisory responsibilities are carried out through:

- regularly contacting and directly consulting with marketing boards on existing and emerging issues,
- conducting supervisory reviews as issues arise in the administration of a marketing scheme, as appropriate,
- examining orders and policies adopted by the marketing boards, to ensure that they do not violate existing legislation, exceed their powers or authority, or unfairly impact producers or other interested parties,
- exercising the authority to amend, revoke or cancel any order made by a board or commission, and
- exercising the authority to conduct audits and investigations, where there is reason to believe that a marketing scheme is being contravened.

The British Columbia Marketing Board's primary mandate to administer the *Act* in the public interest is fulfilled through three roles.

THE BCMB'S APPELLATE ROLE

As a quasi-judicial appeal body, the BCMB is empowered to hear appeals from any person who is aggrieved or dissatisfied by an order, decision or determination of a marketing board in British Columbia.

When an appeal is filed, the BCMB will first suggest that the matter be resolved by an alternate dispute resolution process, usually mediation. A substantial number of appeals are resolved by agreement between the parties using these processes and mediators provided by the BCMB. The BCMB is also encouraging marketing boards to develop their own alternate dispute resolution processes to address issues before an appeal becomes necessary.

If the alternate dispute resolution is unsuccessful, or unsuitable for the issues involved in an appeal, the BCMB convenes a hearing. The purpose of this hearing is to listen to testimony and receive evidence from the appellant, the respondent marketing board, and any parties with a demonstrated interest in the matter. Hearings are normally open to the public. The BCMB may dismiss the appeal, confirm or vary the order, decision or determination being appealed, or return the matter to the respondent marketing board for reconsideration or make another order it considers appropriate in the circumstances. The BCMB's decisions may be appealed only to the Supreme Court of British Columbia, and only on a question of law.

The BCMB's dispute resolution process provides all parties with impartial and fair resolutions to disputes. The BCMB's appellate role also ensures that marketing boards remain accountable in the exercise of their authority under the *Act*.

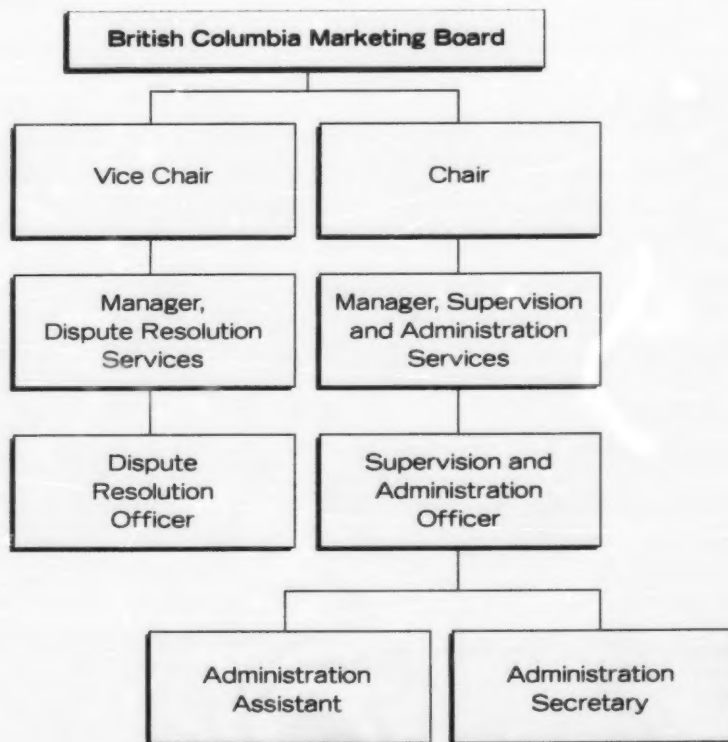
THE BCMB'S SIGNATORY ROLE

The BCMB, with the Minister of Agriculture, Food and Fisheries, and the respective marketing boards, is a signatory to Federal/Provincial Agreements. The BCMB is a member of the national association of federal and provincial supervisory boards and is responsible for supervising the compliance of the provincial marketing boards with the provisions of the Federal/Provincial Agreements. The prior approval of the BCMB is required before a B.C. marketing board may enter into a Federal/Provincial Agreement or an agreement with other provincial and/or federal boards.

Federal/provincial agreements govern the interprovincial and export marketing of table eggs, chicken, broiler hatching eggs, turkey and milk. Orderly marketing of these commodities is achieved through Federal/Provincial Agreements that provide for cooperation in the exercise of federal and provincial authority. At the federal level, a national agency, composed of representatives of each province's marketing board and members from other national organizations representing industry stakeholders, determines the national demand for a commodity, which is then allocated to each province. The provincial marketing board allocates this provincial allocation to the producers in the province. Under the supply management system, domestic production is protected by a tariff on imports.

Federal provincial agreements provide the national framework for the supply managed sector of the regulated marketing system.

BCMB ORGANIZATION



DEFINITIONS

"BCMB" means the Members of the British Columbia Marketing Board, together with the organization and staff employed to administer the *Natural Products Marketing (BC) Act*.

"COMB" means the British Columbia Council of Marketing Boards, an association of boards and commissions established and operating under the *Act*.

"Environmental scan" means a summary of the main external factors that affect performance, with an analysis of the external economic and business environment for the planning period and an assessment of the organization's recent performance.

"Interested parties" means persons with pressing and substantial interest in an issue.

"Performance plan" means a plan published in compliance with the *Budget Transparency and Accountability Act*.

"Person" means an individual, partnership or corporation.

"Public interest" means the economic interests and legal rights of every person dealing with a regulated product, up to and including the ultimate consumer.

"Regulatory agency" means an agency, board or commission with regulatory power which is not part of a government department. The majority of members are appointed by government.

"Scheme" means the regulation established by the Lieutenant-Governor-in-Council to provide for the regulation, control and promotion of a regulated product.

STRATEGIC OPERATION

VISION

The BCMB envisions a future in which the B.C. marketing boards operate effectively in compliance with legislation.

MISSION

The BCMB exercises its independent statutory mandate to ensure that B.C. marketing boards operate in compliance with the governing legislation and policies.

VALUES

The BCMB values a regulated marketing system that operates in the best interests of B.C., and in an environment of mutual respect, accountability and fiscal responsibility.

In exercising its supervisory, appellate and signatory roles, the BCMB will act with discretion and integrity and be guided by the following principles:

- proactive, flexible and cooperative leadership,
- open and transparent consultation with interested parties,
- accessible and efficient practices and services, and
- independent, impartial, timely and consistent dispute resolution and decision-making.

To most effectively carry out its mandate, the BCMB believes that it is important for:

- the BCMB and marketing boards to have the opportunity for professional development through an appropriate training program, and
- the BCMB and marketing boards to maintain their professionalism through the observance of their Codes of Conduct and membership in the B.C. Council of Administrative Tribunals.

ENVIRONMENTAL SCAN

The regulated agri-food industry, like many other sectors, has faced significant and far-reaching changes in the last decade. Because our markets are increasingly global in scope, distant economies and evolving consumer preferences influence and affect B.C. more quickly and acutely than ever before. Today, a corporate merger on the other side of the world can close a local processing plant, or consumer demand for a product can suddenly spur production.

Global market pressures affect almost all commodities in every jurisdiction. B.C.'s relationship with the Canadian government is, therefore, also affected, as all provinces look for solutions within our national borders.

Reflecting today's environment, appeals continue to become more complex, dealing with structural and economic issues involving national agreements, regional issues, and price-discovery processes. This increasing complexity of issues has also resulted in hearings by the BCMB that are longer, more involved, and more costly for everyone concerned.

The regulated marketing system provides the basis for viable sustainable world-class food production in British Columbia.

CHALLENGES

The primary challenges facing the BCMB include:

- balancing complex supervisory and appellate responsibilities and roles,
- maintaining a degree of independence from the Ministry of Agriculture, Food and Fisheries, while continuing an appropriate level of constructive debate on issues of joint jurisdiction,
- being responsive to social and business trends toward decreased regulation and the rise of special interest groups, and
- effectively carrying out the full range of its responsibilities in a climate of fiscal restraint.

OPPORTUNITIES

Because of its unique roles and position, the British Columbia Marketing Board also has distinct opportunities. Some of those include:

- the ability to work effectively as an independent, results-oriented Board; one that is small, highly focused, and adaptable in responding to change,
- working with marketing boards to improve decision-making and reduce the amount and frequency of disputes,
- ensuring that the regulated agri-food sector has the regulations and, through the performance planning process, the tools to explore market opportunities,
- taking the initiative to enhance communications with a broad and diverse range of government, public and interested persons, and
- fully developing the potential of the BCMB's unique position by creating and maintaining a constructive and progressive Memorandum of Understanding with the Minister of Agriculture, Food and Fisheries.

KEY STRATEGIC ISSUES

In working to maintain and operate an efficient and accountable regulated marketing system in B.C., the BCMB balances its responsibilities and roles with the complex factors affecting the B.C. agri-food industry. This means taking into account external economic, environmental and cultural trends directly affecting the regulated marketing system, and managing internal operations responsibly and efficiently to meet these challenges.

The BCMB has set its objectives for the fiscal years 2001/02 to 2003/04 in response to the following key strategic issues:

- vigorously supporting the provincial agri-food interest,
- balancing complex responsibilities and roles,
- maintaining appropriate policy-making and operational independence,
- working within business trends of decreased regulation and increased litigation,
- helping marketing boards deal with the provincial and industry-wide effects of regional specialty production and consumer choices,
- addressing concerns specific to how commodity marketing boards operate (e.g., amendments to the *Act* and the marketing schemes, the structure and composition of the board, and the impact of quotas),
- responding to whole-scale industry changes, such as the consolidation of processing, distribution and retail operations,

The British Columbia Marketing Board has adopted a results-based management approach to meet key strategic issues.

- **fostering a greater understanding of the regulated marketing system in general, and the board's mandate in particular, and addressing misconceptions about the system, and**
- **functioning effectively with limited resources in a broad climate of fiscal restraint.**

**GOAL, OBJECTIVES,
KEY STRATEGIES AND
PERFORMANCE MEASURES**

STRATEGIC GOAL

The regulated marketing system operates effectively and in a manner that protects the public interest.

STRATEGIC OBJECTIVE 1

Commodity marketing boards operate effectively and accountably within the governing legislation and policy.

KEY STRATEGIES	PERFORMANCE MEASURES
1. Supervise the operations of marketing boards to ensure that they are effectively administered and that they comply with governing legislation and policies.	Output measures • The BCMB communicates regularly with marketing boards and monitors their activities throughout each year. • The BCMB completes an annual operation review of each marketing board following its Annual General Meeting. Results show compliance with the governing legislation and policies, and demonstrate that the marketing board recognizes the changing demands of society and the economy and has developed strategies to address those. Results also show that the marketing board recognizes and promotes new and emerging production and marketing opportunities. • As issues arise in the administration of a marketing scheme (e.g., in the case of aggrievement, or when the actions of the marketing board may not be in the public interest), the BCMB convenes an appeal hearing or supervisory review, as appropriate. • By October 2001, the BCMB, in consultation with the British Columbia Council of Marketing Boards (COMB), will update the February 1999 report on the <i>Review of the Regulated Marketing System</i> and present it to the Minister of Agriculture, Food and Fisheries.

KEY STRATEGIES	PERFORMANCE MEASURES
2. Work with marketing boards to examine training needs and implement training programs to establish effective administration and dispute-resolution practices.	• A BCMB/COMB committee is established by April 30, 2001. Its target dates are: - May 31, 2001 – design an education and training needs survey to assess the needs of members, directors and managers of boards, commissions and producer associations. - June 2001 – conduct the education and training needs survey. - by September 30, 2001 – incorporate the survey results into the BCMB's marketing board policies and guidelines for training and skills development. - November 2001 – implement the BCMB training plan. - April 2002 and 2003 – evaluate and revise training plans, as appropriate. - November 2002 and 2003 – conduct training events, as planned. - During 2002 and 2003 – conduct ad hoc training events, as required.

KEY STRATEGIES	PERFORMANCE MEASURES
3. Provide leadership and support to the marketing boards, by modelling effective administrative practices and procedures, and by providing guidelines on emerging practices and procedures that affect the administration of the BCMB and marketing boards in their capacities as regulatory agencies.	• By December 31, 2001, the BCMB reviews the operating policies adopted for guidance of marketing boards (e.g., the Code of Conduct Guidelines). • By June 30, 2002, the BCMB reviews the effectiveness of marketing board communication programs, including the operation of industry advisory committees, to ensure that marketing boards are obtaining effective stakeholder input to support their decision-making. • By September 30, 2002, the BCMB meets with marketing boards to review the BCMB Governance Policy and develop guidelines for marketing boards to follow in creating their own governance policies. • Beginning in 2002, the BCMB reviews marketing boards' governance policies and communications programs as part of the Operational Reviews, consulting and making recommendations, as appropriate.

KEY STRATEGIES	PERFORMANCE MEASURES
4. Participate in the development of Federal/Provincial Agreements to ensure that the provincial interest is recognized and protected, and supervise the operations of marketing boards within the agreements.	• During 2001 and 2002, in conjunction with the Minister of Agriculture, Food and Fisheries and provincial marketing boards, the BCMB decides on appropriate revisions to the Federal/Provincial Agreements governing the marketing and production of supply-managed commodities, to meet B.C.'s interests. • By June 29, 2001, in partnership with the National Farm Products Marketing Council, the BCMB establishes procedures to process orders under federal marketing legislation.
	<i>Outcome measures</i> • The BCMB's regular communication with and monitoring of marketing board activities results in effective administrative practices of marketing boards, as evidenced by satisfactory operational reviews.

STRATEGIC OBJECTIVE 2

The BCMB is administratively efficient in providing effective supervision and dispute resolution services in a transparent and accountable manner.

KEY STRATEGIES	PERFORMANCE MEASURES
1. Provide a dispute resolution system that maintains the integrity of the regulated marketing system.	Output measures • By May 31, 2001, as a part of its training needs survey, the BCMB surveys industry stakeholders to determine their level of confidence in the BCMB's appellate process. • By September 30, 2001, amendments to the <i>Natural Products Marketing (BC) Act</i> are implemented and incorporated, with the results of the stakeholder confidence survey, in a manual for dispute-resolution processes. • By November 30, 2001, the BCMB conducts a mediation training workshop for the BCMB, marketing boards and producer associations. • By March 31, 2002, a decision-cataloguing system is developed and made available to interested parties and their legal representatives. • In 2002 and 2003, the BCMB assesses the effectiveness and participation of the marketing boards and producer associations in mediation training programs, to determine whether additional courses or higher-level courses are required.

KEY STRATEGIES	PERFORMANCE MEASURES
2. Establish effective working relations with the marketing boards and with the Ministry of Agriculture, Food and Fisheries, which recognize the independence of the BCMB and marketing boards as regulatory agencies, and the ministry role in setting policy objectives for the regulated marketing system.	• The BCMB provides efficient administration services to the Farm Practices Board on an ongoing basis. • By January 30, 2002, the BCMB drafts a Memorandum of Understanding for consultation with the Minister of Agriculture, Food and Fisheries. The Memorandum addresses the independence of the BCMB and maintains an appropriate level of constructive debate regarding the ministry's policy role. • By December 31, 2002, the BCMB, in conjunction with the Ministry of Agriculture, Food and Fisheries and marketing boards, establishes a working relationship protocol. The protocol will help build constructive working relations among the bodies which recognize and respect the respective roles and responsibilities of each. • By January 30, 2003, the BCMB reviews and adjusts the Memorandum of Understanding, as required.

KEY STRATEGIES	PERFORMANCE MEASURES
3. Operate the Board in accordance with applicable government administration policies.	• By April 15 each year, Board members submit annual Code of Conduct reporting forms. These demonstrate that members are aware of and routinely meet the appropriate standards of conduct and performance. • By April 30 each year, the BCMB reviews its Board member and employee performance plans and creates plans for the upcoming fiscal year, helping to ensure that Board members and management staff continue to be motivated and work effectively. • Each year, the BCMB completes its three-year performance plan and submits it to the Minister of Agriculture, Food and Fisheries for tabling in the provincial Legislature before April 30. • By December 31, 2001, the BCMB develops and puts in place a succession plan to ensure an orderly succession of members and staff.

KEY STRATEGIES	PERFORMANCE MEASURES
4. Develop an effective communications program that fosters a greater awareness of the BCMB's activities.	• By September 30, 2001, in cooperation with the Ministry of Small Business, Tourism and Culture, the BCMB designs and develops a prototype website, independent of the Ministry of Agriculture, Food and Fisheries site, with links to marketing boards and other provincial and federal agricultural organizations and legislation. • By November 30, 2001, the BCMB has implemented a communication plan. • By March 31, 2002, all BCMB appeal decisions and supervisory review decisions will be available to the public on the website. • In January 2002 and 2003, the BCMB evaluates and adjusts its communications program, as required.
	<i>Outcome measure</i> • The BCMB is confident that its supervisory and appellate policies and procedures protect and preserve the public interest.

RESOURCES

BRITISH COLUMBIA MARKETING BOARD / FARM PRACTICES BOARD BUDGET PROJECTIONS 2001/02 - 2003/04

	2001/02	2002/03	2003/04	Current 2000/01
	(\$)			
BCMB				
Salaries	415,000	430,000	437,000	390,000
Benefits	85,000	90,000	95,000	80,000
Travel and Per Diems - Members	160,000	168,000	176,000	151,000
Travel - Chair and Staff	38,000	40,000	42,000	36,000
Contracted Services	26,000	27,000	28,000	25,000
Legal/Consulting	55,000	60,000	65,000	51,000
Computer Services	3,000	4,000	5,000	5,000
Meetings/Hearings/ Office Expenses	40,000	45,000	50,000	35,000
Training	5,000	6,000	7,000	—
Advertising/Publications	2,000	3,000	4,000	1,000
Occupancy	68,000	60,000	62,000	66,000
BCMB Subtotal	897,000	933,000	971,000	840,000

	2001/02	2002/03	2003/04	Current 2000/01
	(\$)			
Farm Practices Board				
Travel and Per Diems – Members	40,000	43,000	46,000	35,000
Travel – Chair and Staff	10,000	11,000	12,000	9,500
Contracted Services	4,000	5,000	6,000	3,500
Legal/Consulting	3,000	4,500	6,000	2,300
Meetings/Hearings/ Office Expenses	7,000	8,000	9,000	5,700
Training	20,000	20,000	20,000	—
Farm Practices Board Subtotal	84,000	91,500	99,000	56,000
COMBINED TOTAL	981,000	1,024,500	1,070,000	896,000

NOTES

- BCMB provides administrative services for the Farm Practices Board.
- Between them, the BCMB and the Farm Practices Board have seven FTEs for 2001/02. Salaries and benefits figures include provision for one additional FTE, due to start midway through the 2001/02 fiscal year.
- Meetings/Hearings/Office Expenses for 2001/02 include work station set-up costs for the additional FTE.
- Occupancy costs for 2000/01 include office moving. Costs for 2001/02 include leasehold improvements.

B.C. MARKETING BOARDS AND COMMISSIONS

The following marketing boards and commissions currently operate within British Columbia:

S U P P L Y - M A N A G E D I N D U S T R I E S

- **British Columbia Broiler Hatching Egg Commission**
- **British Columbia Chicken Marketing Board**
- **British Columbia Egg Marketing Board**
- **British Columbia Milk Marketing Board**
- **British Columbia Turkey Marketing Board**

R E G U L A T E D I N D U S T R I E S

- **British Columbia Cranberry Marketing Board**
- **British Columbia Grape Marketing Board**
- **British Columbia Hog Marketing Commission**
- **British Columbia Mushroom Marketing Commission**
- **British Columbia Tree Fruit Marketing Board**
- **British Columbia Vegetable Marketing Commission**

HOW TO CONTACT THE BRITISH COLUMBIA MARKETING BOARD

For information about the BCMB and its work, the regulated marketing system in B.C., or any of the British Columbia marketing boards and commissions, please contact us:

by phone: 250-356-8945

by fax: 250-356-5131

by e-mail: bcmb@agf.gov.bc.ca

on the web: www.agf.gov.bc.ca/ministry/bcmb.htm

by post: British Columbia Marketing Board
PO Box 9129 Stn Prov Govt
Victoria, BC
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in person: 1007 Fort Street
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Victoria, BC
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